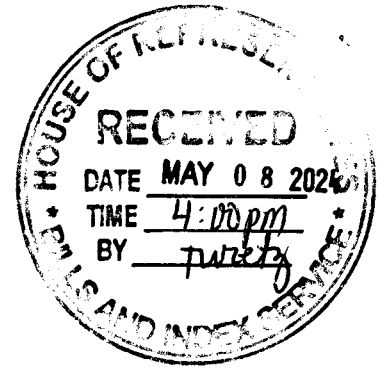


Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City, Metro Manila

**NINETEENTH CONGRESS**  
*Second Regular Session*

House Bill No. 10373



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**INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO,  
JOCELYN P. TULFO, AND ERWIN T. TULFO**

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**AN ACT GRANTING DISCOUNTS ON BASIC AND EDUCATION SERVICES  
TO UNDERPRIVILEGED STUDENTS IN ALL LEVELS, INCLUDING THOSE  
ENROLLED IN TECHNICAL-VOCATIONAL (TECH-VOC) INSTITUTIONS**

**EXPLANATORY NOTE**

Article XIV, Section 2 (3) of the 1987 Philippine Constitution mandates the State to establish and maintain a system of scholarship grants, student loan programs, subsidies, and other incentives which shall be available to deserving students in both public and private schools, especially to the underprivileged.

Generally, education is being provided free in public schools nationwide. There are also academic scholarship programs which may be availed from various government and non-government agencies. However, these scholarship grants may come with conditions and limitations and often do not cover all the necessities required over the course of student life.

Currently, students in the country are entitled to a mandatory 20% discount on domestic regular fares across various modes of transportation, including land, air, sea, and rail. This discount aims at easing the financial burden on students, ensuring that they can access education without shouldering the full cost of transportation.<sup>1</sup> Likewise, some companies, while optional, offer student discounts on technology products, learning resources, streaming subscriptions, and apparel which serve as an opportunity to stretch the daily budget for school needs. Thus, saving money matters to a lot of students who have no full-time, income-earning capacity yet.<sup>2</sup>

This proposed bill aims to augment the discount offerings to students by granting a five percent (5%) discount on the services to be availed from establishments

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<sup>1</sup> "RA 11314: Student Fare Discount Act", *LTO Portal PH*, Accessed 17 Apr. 2024, <https://ltoportal.ph/ra-11314-student-fare-discount-act/>

<sup>2</sup> Zoleta, Venus, "21 Perks You Can Score with a Student Discount in the Philippines", *Moneymax*, 7 Aug. 2023, <https://www.moneymax.ph/personal-finance/articles/student-discount-philippines>

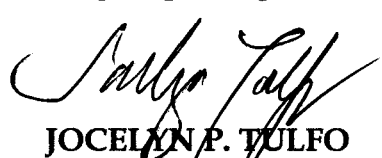
selling food, medicines, textbooks and other school supplies; schools on tuition fees, miscellaneous, and other fees; and museums, theaters, and cultural events.

In view of the foregoing, the urgent passing of this bill is earnestly sought.



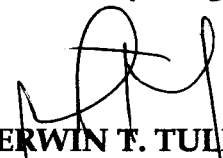
**RALPH WENDEL P. TULFO**

*Representative*  
*2<sup>nd</sup> District of Quezon City*



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*Be it enacted by the Senate and House of Representatives of the Philippines in Congress  
assembled:*

**SECTION 1. *Short Title.*** – This Act shall be known as the “Underprivileged  
Students’ Discount Act of 2024”.

**SEC. 2. *Declaration of Policy.*** – It is the policy of the State to prioritize quality  
education and take appropriate steps to make such education accessible to all.

**SEC. 3. *Definition of Terms.*** – As used in this Act, the following terms shall mean:

- (a) *Underprivileged Student* refers to a Filipino student enrolled in basic education, post-secondary non-degree technical-vocational (Tech-Voc) courses, and those enrolled in Bachelor’s Degree programs at the college level, whose parents have a gross annual income of not more than One Hundred Fifty Thousand pesos (PhP150,000.00), subject to review by the National Economic and Development Authority (NEDA) every three years: *Provided, That* a Filipino student who opts to take part-time jobs to subsidize the student’s education and whose income

combined with the annual gross income of the student's parents do not exceed One Hundred Fifty Thousand Pesos (PhP150,000.00), subject to review by the NEDA every three (3) years, is deemed an Underprivileged Student;

(b) *Discounts* refer to an amount deducted or counted off from the cost of goods under basic services and from fees to be collected on education services;

(c) *Basic Services* refer to basic necessities such as food for snacks and meals and medicines; and

(d) *Education Services* refer to education-related expenditures such as tuition, miscellaneous and other school fees, books, and school supplies.

**SEC. 4. *Discounts for Underprivileged Students.*** – Underprivileged students shall be entitled to the following:

(a) **Food Establishments** – A five percent (5%) discount shall be granted to underprivileged students by food establishments such as food chains, canteens, and restaurants anywhere in the country: *Provided, That* private food establishments may claim the cost as allowable tax deduction from the gross income in the computation of the income tax in accordance with the provisions of the National Internal Revenue Code (NIRC) of 1997, as amended;

(b) **Medicines** – A five percent (5%) discount shall be granted to underprivileged students by pharmacists or drug stores anywhere in the country: *Provided, That* these pharmacies or drug stores may claim the cost as allowable tax deduction from the gross income in the computation of the income tax in accordance with the provisions of the NIRC of 1997, as amended;

(c) **Textbooks and School Supplies** – A five percent (5%) discount shall be granted to underprivileged students by establishments anywhere in the country that sell reference books and school supplies: *Provided, That* these establishments may claim the cost as allowable tax deduction from the gross income in the computation of the income tax in accordance with the provisions of the NIRC of 1997, as amended;

- 1  
2 (d) Tuition Fees, Miscellaneous, and Other School Fees – A five percent (5%) discount  
3 shall be granted to underprivileged students by public and private schools where  
4 they are enrolled in, without prejudice to their right to avail themselves of other  
5 educational assistance given by the school and the government, such as those  
6 provided under Republic Act No. 6728, as amended by Republic Act No. 8545 or  
7 the “Expanded Government Assistance to Students and Teachers in Private  
8 Education (E-GASTPE)”, Republic Act No. 9442 or the law amending the “Magna  
9 Carta for Disabled Persons”, Republic Act No. 10687 or the “Unified Student  
10 Financial Assistance System for Tertiary Education (UniFAST) Act”, and  
11 Republic Act No. 10931 or the “Universal Access to Quality Tertiary Education  
12 Act”: *Provided*, That the schools may claim the cost as allowable tax deduction  
13 from the gross income in the computation of the income tax in accordance with  
14 the provisions of the NIRC of 1997, as amended; and
- 15 (e) Museums, Theaters, and Cultural Events – A five percent (5%) discount shall be  
16 granted to underprivileged students on entrance fees to museums, theaters, and  
17 cultural events sanctioned by the National Commission for Culture and the Arts  
18 anywhere in the country: *Provided*, That private museums, theaters, and  
19 producers of cultural events may claim the cost as allowable tax deduction from  
20 the gross income in the computation of the income tax in accordance with the  
21 provisions of the NIRC of 1997, as amended.

22  
23 **SEC. 5. *Limitations.*** – The Department of Education (DepEd), Technical Education  
24 and Skills Development Authority (TESDA), and Commission on Higher Education  
25 (CHED) may identify grounds for disqualification of students in availing the  
26 aforementioned discounts, in accordance with the implementing rules and regulations  
27 of this Act: *Provided*, That these grounds will not defeat the purpose of liberally granting  
28 such discounts to underprivileged students.  
29

1       **SEC. 6. Roles of DepEd and CHED.** – Qualified primary and secondary students,  
2       and tertiary or college beneficiaries, shall be determined by DepEd and CHED,  
3       respectively. These agencies shall have the following functions:

- 4
- 5       (a) To plan, implement, and monitor yearly work programs, and evaluate and  
6       submit annual reports in pursuance to the objectives of this Act;
  - 7       (b) To screen applicant, receive documentary proof, and identify who are the eligible  
8       underprivileged primary, secondary, and college students based on the  
9       provisions of this Act;
  - 10      (c) To closely coordinate with the NEDA in determining the income brackets of  
11      Filipino families for the purpose of identifying underprivileged primary,  
12      secondary, and college students, respectively;
  - 13      (d) To issue identification cards which shall be valid anywhere in the country as  
14      proof of the eligibility of the underprivileged primary, secondary, and college  
15      students to avail themselves of the discounts;
  - 16      (e) To maintain and regularly update, on a quarterly basis, the list of underprivileged  
17      primary, secondary, and college students who avail themselves of the discounts;
  - 18      (f) To cancel the identification cards issued for those disqualified under Section 5 of  
19      this Act;
  - 20      (g) To provide information to the affected establishments under Section 4 of this Act  
21      for any questions regarding the eligibility of any underprivileged primary,  
22      secondary, and college students claiming the discounts through the DepEd and  
23      CHED websites, respectively;
  - 24      (h) To monitor the extent of implementation of this Act and to coordinate with the  
25      concerned agencies regarding the imposition of penalties on violators of this Act;  
26      and
  - 27      (i) To perform such other functions as may be determined by the DepEd Secretary  
28      and CHED Chairperson.
- 29

1       **SEC. 7. Role of TESDA.** - The TESDA shall be in charge of determining the  
2 qualified post-secondary Tech-Voc beneficiaries under this Act through its Office of  
3 Technical-Vocational Education and Training (TVET) Systems Development Office  
4 (TSDO). The TESDA Director-General shall include in the regular functions of the  
5 TSDO the following additional functions:

- 6
- 7       (a) To plan, implement, and monitor work programs, and evaluate and submit  
8       annual reports in pursuance of the objectives of this Act;
  - 9       (b) To screen applicants, receive documentary proof, and identify who are the  
10       eligible underprivileged post-secondary students based on the provisions of  
11       this Act;
  - 12       (c) To closely coordinate with the NEDA in determining the income brackets of  
13       Filipino families for the purpose of identifying underprivileged post-  
14       secondary students;
  - 15       (d) To issue identification cards which shall be valid anywhere in the country as  
16       proof of the eligibility of the underprivileged post-secondary students to avail  
17       themselves of the discounts;
  - 18       (e) To maintain and regularly update, on a quarterly basis, the list of  
19       underprivileged post-secondary students who avail themselves of the  
20       discounts and to review, evaluate, and assess their academic standing;
  - 21       (f) To cancel the identification cards issued for those disqualified under Section 5  
22       of this Act;
  - 23       (g) To provide information to the affected establishments under Section 4 of this  
24       Act for any questions regarding the eligibility of any underprivileged post-  
25       secondary students claiming the discounts through the TESDA website;
  - 26       (h) To monitor the extent of implementation of this Act and to coordinate with the  
27       concerned agencies regarding the imposition of penalties on violators of this  
28       Act; and
  - 29       (i) To perform such other functions as may be determined by the TESDA  
30       Director-General in the implementation of this Act.

1       **SEC. 8. *Tax Incentives.*** – Discounts granted by establishments to underprivileged  
2 students under this Act shall be treated as allowable deduction from the gross income  
3 in the computation of the income tax, in accordance with the provisions of NIRC of  
4 1997, as amended.

5  
6       **SEC. 9. *Implementing Rules and Regulations.*** – The DepEd, TESDA, and CHED, in  
7 coordination with the NEDA, the Department of Social Welfare and Development, the  
8 Department of Health (DOH), and such other agencies concerned with the  
9 establishments which may be affected by this Act, shall issue the implementing rules  
10 and regulations to carry out the objectives of this Act within thirty (30) days after this  
11 law takes effect.

12  
13       **SEC. 10. *Penalties.*** – The first violation of any provisions of this Act shall cause the  
14 suspension of the license to operate or the business permit of the establishment or  
15 person concerned for not less than one (1) week but not more than four (4) weeks and a  
16 fine of not less than Twenty Thousand Pesos (PhP20,000.00) but not more than Fifty  
17 Thousand Pesos (PhP50,000.00).

18  
19       The second violation of any provisions of this Act shall cause the suspension of the  
20 license to operate or the business permit of the establishment or the person concerned  
21 for not less than four (4) weeks and a fine of not less than Fifty Thousand Pesos  
22 (PhP50,000.00), but not exceeding Two Hundred Fifty Thousand Pesos (PhP250,000.00):  
23 *Provided, however, That the procedure of notice and hearing shall have been complied*  
24 *with prior to the imposition of the said penalites.*

25  
26       If the offender is a corporation, organization or any similar entity, the officers thereof  
27 shall suffer the same penalty imposed on any person found violating this Act.

28  
29       **SEC. 11. *Enforcement.*** – Pursuant hereto, the DepEd, Department of Trade and  
30 Industry, DOH, and local government units, in coordination with the CHED and

1 TESDA, shall have the mandate to implement the provisions of this Act. After filing of  
2 an appropriate complaint, and after due notice and hearing, the proper authorities may  
3 also cause the cancellation or revocation of the business permit, permit to operate,  
4 franchise and other similar privileges granted to any business entity that fails to abide  
5 by the provisions of this Act.

6  
7 **SEC. 12. *Separability Clause.*** – If any provision or part thereof is held invalid or  
8 unconstitutional, the other sections or provisions thereof shall not be affected thereby  
9 and shall remain in force and effect.

10  
11 **SEC. 13. *Repealing Clause.*** – All laws, executive orders, decrees, instructions, rules  
12 and regulations contrary to or inconsistent with any provision of this Act are hereby  
13 amended, repealed or modified accordingly.

14  
15 **SEC. 14. *Effectivity Clause.*** – This Act shall take effect fifteen (15) days after its  
16 publication in the Official Gazette or in a newspaper of general circulation.

17  
18 *Approved,*  
19